

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of	)	
	)	
Lifeline and Link Up Reform and	)	WC Docket No. 11-42
Modernization	)	
	)	
Telecommunications Carriers	)	WC Docket No. 09-197
Eligible for Universal Service	)	
Support	)	
	)	
Connect America Fund	)	WC Docket No. 10-90
	)	
	)	

**Q LINK WIRELESS LLC COMMENTS ON JOINT PETITION TO PAUSE  
IMPLEMENTATION OF DECEMBER 2019 LIFELINE MINIMUM SERVICE  
STANDARDS PENDING FORTHCOMING MARKETPLACE STUDY**

John J. Heitmann  
Avonne S. Bell  
**KELLEY DRYE & WARREN LLP**  
3050 K Street NW, Suite 400  
Washington, D.C. 20007  
(202) 342-8400 (voice)  
(202) 342-8451 (facsimile)  
[jheitmann@kelleydrye.com](mailto:jheitmann@kelleydrye.com)

July 31, 2019

## **SUMMARY**

Q LINK unequivocally supports grant of the Joint Petition. The Joint Petition requests that the Wireline Competition Bureau (Bureau) pause implementation of the December 2019 changes to the Lifeline mobile broadband minimum service standards (MSS) and mobile voice subsidy to allow time for the Bureau to study and report on the impact of such changes on the Lifeline program's goal of providing affordable access to essential communications services in the *State of the Lifeline Marketplace Report*. This is a reasonable and rational request.

The Bureau must act expeditiously to waive implementation of the December 2019 changes. No matter how well intentioned, it is now clear that the plan adopted in the *2016 Lifeline Modernization Order* to set MSS for mobile voice and broadband wireless Lifeline service offerings and to sunset support for mobile voice services, is on the cusp of imposing substantial and irreparable harms on Lifeline subscribers and the eligible telecommunications carriers (ETCs) that serve them.

The Bureau has announced that, on December 1, 2019, the amount of required mobile broadband will increase from 2 GB to 8.75 GB, and on the same day, the subsidy amount for mobile voice services will decrease from \$9.25 to \$7.25. These changes will result in *decreased access to broadband* and *higher prices* for low-income consumers.

This untenable (and unanticipated) outcome is in part due to the fact that the network cost alone of meeting the December 2019 mobile broadband MSS *exceeds* the subsidy by a wide margin. Retail wireless plans available today also make the problem clear: those that include a minimum of 8.75 GB of high speed broadband data typically retail for *\$40 and higher*. Plans that meet the December 2019 mobile broadband MSS simply cannot be made available to Lifeline subscribers for free based on a \$9.25 subsidy amount.

Moreover, wireless ETCs are in no position to successfully impose monthly price increases of \$2 for voice to \$30 or more for broadband on Lifeline subscribers. This is because Lifeline subscribers live near or below the poverty level and cannot afford basic necessities without assistance – and most are unbanked.

Thus, the December 2019 increase in the mobile broadband MSS will result in *less broadband for Lifeline subscribers* and not more. Today's 2 GB mobile broadband plans strike a reasonable balance between comparability and affordability. These plans provide Lifeline subscribers with the ability to access websites, exchange emails, upload photos, and watch video – all the things needed to stay connected to jobs, educators, healthcare, family and community.

While the Commission in 2016 may have envisioned a world where cellular voice was no longer important or would be replaced by over-the-top applications, this is not today's reality. If the reduction in voice support from \$9.25 to \$7.25 was allowed to go into effect, Q LINK subscribers would face a *price increase* for their current mobile voice MSS-compliant plan—or would need to switch to a plan that includes *less broadband data* to avoid a price increase. Such a result would undermine the Commission's goals for the Lifeline program by *raising prices, reducing affordable access, and diminishing access to broadband*.

Q LINK agrees with the Joint Petitioners and the broad coalition of Lifeline stakeholders supporting the Joint Petition: no further changes to the mobile broadband MSS or mobile voice subsidy amount should be implemented until the marketplace study is complete.

Q LINK respectfully urges the Bureau to expeditiously grant the Joint Petition.

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IMPLEMENTATION OF DECEMBER 2019 LIFELINE MINIMUM SERVICE  
STANDARDS PENDING FORTHCOMING MARKETPLACE STUDY**

Q LINK WIRELESS LLC (Q LINK) respectfully submits these comments in support of the Joint Petition to Pause Implementation of December 2019 Lifeline Minimum Service Standards Pending Forthcoming Marketplace Study filed with the Federal Communications Commission (Commission) by CTIA, on behalf of wireless Lifeline service providers, and National Consumer Law Center, National Hispanic Media Coalition, OCA – Asian Pacific American Advocates, and United Church of Christ, Inc., on behalf of low-income consumers.<sup>1</sup>

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<sup>1</sup> See Joint Petition to Pause Implementation of December 2019 Lifeline Minimum Service Standards Pending Forthcoming Marketplace Study, WC Docket Nos. 11-42, 09-197, 10-90 (June 27, 2019) (Joint Petition); *see also* Public Notice, DA 19-617 (rel. July 1, 2019).

## I. INTRODUCTION

Q LINK unequivocally supports grant of the Joint Petition. The Joint Petition requests that the Wireline Competition Bureau (Bureau) pause implementation of the changes to the Lifeline mobile broadband minimum service standards (MSS) and mobile voice subsidy set to take effect in December 2019 to allow time for the Bureau to study and report on the impact of such changes on the Lifeline program's goal of providing affordable access to essential communications services in the *State of the Lifeline Marketplace Report*, scheduled for release in June 2021.<sup>2</sup> This is an eminently reasonable and rational request that already has garnered broad support among Lifeline program stakeholders.

The Bureau must act expeditiously to ensure that the Lifeline program continues to meet the statutory mandate to provide low-income consumers with affordable access to essential communications services.<sup>3</sup> No matter how well intentioned, it is now clear that the plan adopted in the *2016 Lifeline Modernization Order* to set a mobile broadband MSS<sup>4</sup> and to sunset support to eligible telecommunications carriers (ETCs) for mobile voice services,<sup>5</sup> is on the cusp of imposing substantial and irreparable harms on Lifeline subscribers and the ETCs that serve them.

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<sup>2</sup> In the *2016 Lifeline Modernization Order*, the Commission recognized that there was uncertainty the Lifeline marketplace and as such, the MMS transitions as outlined might not be consistent with the public interest. Thus, the Commission directed Bureau to study the Lifeline market and make recommendations to the Commission about “whether the transition set out in this Order should be completed or whether the Commission should act to continue delaying Lifeline’s transition to chiefly supporting broadband services.” *See Lifeline and Link Up Reform and Modernization et al.*, WC Docket Nos. 11-42, 09-197, 10-90, Third Report and Order, Further Report and Order, and Order on Reconsideration, FCC 16-38, ¶ 66 (2016) (“*2016 Lifeline Modernization Order*”).

<sup>3</sup> *See* 47 U.S.C. § 254(b)(3).

<sup>4</sup> *See 2016 Lifeline Modernization Order*, ¶¶ 91-98.

<sup>5</sup> *See id.*, ¶¶ 62-66.

Since 2016, the Commission has implemented incremental annual increases to the mobile broadband MSS from 500 MB to the current amount of 2 GB per month and to the mobile voice MSS from 500 minutes to the current amount of 1000 minutes per month. The Bureau has announced that, on December 1, 2019, the amount of required mobile broadband will increase from 2 GB to 8.75 GB,<sup>6</sup> and on the same day, the subsidy amount for mobile voice services will decrease from \$9.25 to \$7.25.

These changes, if allowed to go into effect, would result in *decreased access* and *higher prices* for low-income consumers. This untenable (and unanticipated) outcome is in part due to the fact that the network cost alone of meeting the mobile broadband data requirement *exceeds* the subsidy. Retail wireless plans available today also make the problem clear: those that include a minimum of 8.75 GB of high speed broadband data typically retail for *\$40 and higher*. Plans that meet the December 2019 mobile broadband MSS simply cannot be made available to Lifeline subscribers for free based on a \$9.25 subsidy amount.

Moreover, wireless ETCs are in no position to successfully impose monthly price increases of \$2 for voice to \$30 or more for broadband on Lifeline subscribers. This is because Lifeline subscribers live near or below the poverty level and cannot afford basic necessities without assistance. Finding money needed to purchase plans with Commission-mandated service levels that are less affordable than the free services Lifeline subscribers have today would require taking food off the table or leaving medical and utility bills unpaid. The Commission

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<sup>6</sup> On July 25, 2019, the Bureau issued a Public Notice announcing that the mobile broadband MSS will be 8.75 GB per month effective December 1, 2019. See *Wireline Competition Bureau Announces Updated Lifeline Minimum Service Standards and Indexed Budget Amount*, WC Docket No. 11-42, Public Notice, DA 19-704 (July 25, 2019) (“2019 MSS Public Notice”).

also must acknowledge that the majority of Lifeline subscribers are unbanked and will not be able to pay monthly charges.

Thus, failure to timely grant the Joint Petition would result in *less broadband for Lifeline subscribers* and not more. Today's 2 GB mobile broadband plans strike a reasonable balance between comparability and affordability. These plans provide Lifeline subscribers with the ability to access websites, exchange emails, upload photos, and watch video – all the things needed to stay connected to jobs, educators, healthcare, family and community.

Further, while the Commission in 2016 may have envisioned a world where cellular voice was no longer important or would be replaced by over-the-top applications, this is not today's reality. The average Lifeline subscriber uses most of the allotted 1000 minutes of cellular voice a month and is in no position to make a \$2 per month co-pay for what is provided to them for free today based on a \$9.25 subsidy amount. If the reduction in voice support from \$9.25 to \$7.25 was allowed to go into effect, Q LINK subscribers would face a price increase for their current mobile voice MSS-compliant plan—or would need to switch to a plan that includes less broadband data to avoid a price increase. Such a result would undermine the Commission's goals for the Lifeline program by *raising prices, reducing affordable access, and diminishing access to broadband*.

In addition to the mobile wireless service providers represented by CTIA and the public interest groups and civil rights organizations that joined CTIA on the Joint Petition, the states have generated strong support in favor of granting the Joint Petition with National Association of State Utility Consumer Advocates (NASUCA)<sup>7</sup> and National Association of Regulatory Utility

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<sup>7</sup> National Association of State Utility Consumer Advocates, Resolution 2019-02 Urging the FCC to Preserve Lifeline Support for Voice Service and to Stay and Study the Scheduled Changes in Lifeline Minimum Services (June 20, 2019), available at



Commissioners (NARUC) adopting resolutions calling on the Commission to take action to pause and study the changes to mobile broadband MSS and voice support, as called for in the Joint Petition.<sup>8</sup> Q LINK agrees with the Joint Petitioners and this broad coalition of Lifeline stakeholders that no further changes to the mobile broadband MSS or mobile voice subsidy amount should be implemented until the marketplace study has been completed.

Even as one of the largest Lifeline providers, Q LINK cannot implement the December 2019 changes to the mobile broadband MSS or the mobile voice subsidy without imposing significant price increases and/or service reductions on its Lifeline subscribers. Without the requested relief, existing Lifeline subscribers will face de-enrollments for failure to pay or reductions in broadband access, and few if any ETCs will find it in their interest to enroll new subscribers in Lifeline. For millions of Lifeline subscribers, including veterans, seniors, and those in rural America, a failure to timely grant the Joint Petition would mean disconnection from and reduced access to mobile voice and broadband and an unprecedented expansion of the digital divide.

Because the December 2019 changes would impose substantial and irreparable harms on the Lifeline program and those consumers it is intended to serve, Q LINK respectfully urges the Bureau to expeditiously grant the Joint Petition.

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<https://www.nasuca.org/nwp/wp-content/uploads/2018/11/2019-02-Final-NASUCA-Telecom-Resolution-re-Lifeline-for-Voice-Service-Min-Standards.pdf> (“NASUCA Resolution”).

<sup>8</sup> NARUC Resolution on the Lifeline National Verifier Launch and Minimum Service Standards (July 23, 2019) (NARUC National Verifier Launch and Minimum Service Standards Resolution), available at <https://www.naruc.org/meetings-and-events/naruc-meetings-and-events/2019-summer-policy-summit/final-resolutions/> (“NARUC Resolution”).

## **II. The December 2019 Mobile Broadband MSS Increase Would Cause Low-Income Consumers to Lose Access to Existing Affordable Lifeline Service Offerings that Strike a Reasonable Balance between Access and Affordability**

The December 2019 mobile broadband MSS increase would result in decreased access and higher prices for low-income consumers. This untenable (and unanticipated) outcome is in part due to the fact that the network cost alone of meeting the mobile broadband data requirement easily exceeds the subsidy amount. Retail wireless plans that include a minimum of 8.75 GB of high speed broadband data typically retail for \$40 and higher and simply cannot be made available to Lifeline subscribers for free based on a \$9.25 subsidy amount. If the Bureau does not grant the waiver requested in the Joint Petition, existing Lifeline subscribers will have their free plans replaced with costly ones for which they will not have the means or ability to pay. De-enrollments will ensue, resulting in further widening of the digital divide by denying low-income consumers access to Lifeline plans with 2 GB of broadband data that are affordable and currently provide Lifeline households with the ability to access websites, exchange emails, upload photos, and watch video – all the things that they need to do to stay connected to jobs, educators, healthcare, family and community. Because the December 2019 mobile broadband MSS does not strike a reasonable balance between access and affordability and instead threatens to materially decrease both, the Bureau must expeditiously grant the Joint Petition.

### **A. Allowing the December 2019 Mobile Broadband MSS to Go into Effect Will Result in Decreased Access and Higher Prices for Lifeline Subscribers**

When the Commission adopted the MSS framework in 2016, it found that the MSS must “account for the need for Lifeline service offerings to be affordable [and] strike a balance between the demands of affordability and reasonable comparability by providing consumers with services that allow them to experience many of the Internet’s offerings, but not mandating the

purchase of prohibitively expensive offerings.”<sup>9</sup> The December 2019 mobile broadband MSS wildly misses that mark because it requires ETCs to offer a level of service that costs much more than the \$9.25 subsidy and to raise prices substantially over the fully discounted (i.e., free) service the vast majority of Lifeline subscribers have today.

Although Lifeline provides eligible low-income consumers with discounts off retail rates of mobile broadband services, the threat posed by the December 2019 mobile broadband MSS can be illustrated no more starkly than by the fact that the network cost alone of meeting the mobile broadband data requirement exceeds the subsidy by many multiples.<sup>10</sup> At 8.75 GB, the December 2019 mobile broadband MSS represents a greater than 4x increase in the required data that must be made available to consumers. It is simply not possible for Q LINK to offer this level of service without imposing a substantial price increase on consumers.<sup>11</sup> The cost of doing so would not only exceed the \$9.25 subsidy reimbursement, but it would do so by an amount so significant that it would force Q LINK to set plan pricing at a level certain to be untenable for Lifeline subscribers,<sup>12</sup> most of whom cannot reliably pay a few dollars a month for service, let alone \$30 or more a month (after a \$9.25 discount). But \$40 is what prepaid wireless service plans with a minimum of 8.75 GB of data typically cost consumers, without a free phone and

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<sup>9</sup> *2016 Lifeline Modernization Order*, ¶ 71.

<sup>10</sup> In addition to data costs, Q LINK incurs voice and text costs for each subscriber. Service providers incur substantial costs other than network service costs to provide service to Lifeline subscribers. For example, Q LINK also spends substantial amounts on subscriber outreach about and enrollment in the Lifeline program, ongoing compliance and customer care, in addition to providing all subscribers with a brand new Wi-Fi enabled and hot-spot capable smart phone.

<sup>11</sup> See Affidavit of Issa Asad in Support of Q LINK WIRELESS LLC’s Joint Petition Comments, ¶ 4.

<sup>12</sup> See *id.*, ¶¶ 4,5.

always with a pre-payment requirement (because Lifeline subsidy reimbursements are made after the service is provided, Lifeline is a post-paid service).<sup>13</sup>

Q LINK's experience is that few Lifeline subscribers have the means to afford such payments. Those subscribers who purchase additional data from Q LINK today are a distinct minority of customers and they typically do not spend more than \$10 in any month.<sup>14</sup> For many, additional purchases and monthly payments are infeasible because they are unbanked and the payment instruments available to them are expensive.<sup>15</sup>

The Bureau also must consider that veterans and seniors, especially those in rural America, would be impacted disproportionately. Because Q LINK's online distribution model allows it to reach and serve rural consumers effectively, Q LINK estimates that the percentage of Lifeline subscribers it serves in rural zip codes exceeds the percentage of the general population residing in those zip codes.<sup>16</sup> The Commission already has acknowledged that the Lifeline

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<sup>13</sup> See e.g., MetroPCS 10GB data offering, available at <https://www.t-mobile.com/news/metro-by-t-mobile> (last visited July 30, 2019).

<sup>14</sup> See Affidavit of Issa Asad in Support of Q LINK WIRELESS LLC's Joint Petition Comments, ¶ 6.

<sup>15</sup> See Comments of Q LINK WIRELESS, LLC at 2, WC Docket Nos. 17-287, 11-42, 09-197, (filed Feb. 21, 2018) (explaining that "56 percent of Q Link customers are 'unbanked,' meaning that they cannot easily purchase 'top-ups' under prepaid plans due to a lack of access to the financial system").

<sup>16</sup> See Affidavit of Issa Asad in Support of Q LINK WIRELESS LLC's Joint Petition Comments, ¶ 7. See also Comments of the National Lifeline Association at 8, WC Docket Nos. 17-287, 11-42, 09-197 (filed Feb. 21, 2018) ("Based on an analysis of over 3.2 million Lifeline subscribers to services provided by NaLA members, 40 percent of subscribers reside in urban zip codes and 60 percent reside in suburban (33 percent) or rural (27 percent) zip codes.") (NaLA Comments); Michael Ratcliffe, Charlynn Burd, Kelly Holder, and Alison Fields, "Defining Rural at the U.S. Census Bureau, American Community Survey and Geography Brief," U.S. Census Bureau (Dec. 2016) (explaining that as of 2010, rural areas accounted for only 19.3 percent overall U.S. population).

program serves 1.3 million veterans.<sup>17</sup> Similarly, record data suggests that the percentage of Lifeline subscribers who are seniors is higher than the population as a whole.<sup>18</sup>

If allowed to go into effect, the December 2019 mobile broadband MSS will result in subscribers being de-enrolled from Lifeline for failure to pay or converted to plans that do not meet the mobile broadband MSS.<sup>19</sup> Faced with declining enrollment among existing Lifeline subscribers and a diminished (or non-existent) incentive for investors to continue to support ETCs' enrollment of new Lifeline subscribers, wireless ETCs will begin to retract and head toward the exits, just as the major wireline companies have done. These outcomes undermine the goals of the Lifeline program and demonstrate clearly that grant of the Joint Petition is necessary to avoid having the *2019 MSS Public Notice* result in fewer Lifeline subscribers with affordable access to mobile broadband and an unprecedented widening of the digital divide.<sup>20</sup>

Earlier this year, the D.C. Circuit Court reminded the Commission that the primary goal of the Lifeline program is to ensure access and affordability and that the Commission is statutorily compelled to consider the impact of Lifeline program changes on access and

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<sup>17</sup> See Federal Communications Commission, Wireline Competition Bureau, "Report on Promoting Broadband Internet Access Service for Veterans, Pursuant to the Repack Airwaves Yielding Better Access for Users of Modern Sciences Act of 2018" 13 (May 2019), *available at* <https://www.fcc.gov/document/report-promoting-internet-access-service-veterans>.

<sup>18</sup> See NaLA Comments at 8 (explaining that a survey of 40,000 member subscribers found that over half were female and of that subset, nearly half were over the age of 50 and over 34 percent were over 55); *see also* Comments of AARP at 8 (noting that "older Americans are likely to be overrepresented among those who can benefit from [Lifeline efforts]" given their lower income and lag on technology adoption, WC Docket Nos. 11-42, 09-197 (Feb. 21, 2018)).

<sup>19</sup> See Affidavit of Issa Asad in Support of Q LINK WIRELESS LLC's Joint Petition Comments, ¶ 4.

<sup>20</sup> The December 2019 mobile broadband MSS goes into effect only because of the *2019 MSS Public Notice*. It will take a grant of the Joint Petition to save Lifeline subscribers and the Lifeline program from substantial and irreparable harms.

affordability before adopting them.<sup>21</sup> Here, the MSS rules were adopted in 2016, but each year changes are put into effect because the Bureau acts to allow the changes to go into effect. Last week, the Bureau acted to put the challenged changes into effect on December 1, 2019, without acknowledging the Joint Petition and its request for comments on it. The Bureau is obligated to reconsider its *2019 MSS Public Notice* in light of the Joint Petition and the need to take action to avert the unanticipated and unintended consequences of the December 2019 MSS changes: substantial price increases for Lifeline subscribers and less access because of de-enrollment, transfer to plans that do not meet the mobile broadband MSS, and ETCs exiting the market.

The Bureau should proceed quickly to grant the Joint Petition and with confidence. Industry, public interest groups and civil rights groups aligned to file the Joint Petition and state consumer advocates through NASUCA<sup>22</sup> and state commissions and commissioners through NARUC<sup>23</sup> also have called for the relief sought in the Joint Petition. Conservative voices, including the Free State Foundation<sup>24</sup> and the Phoenix Center, also have weighed in with the former calling for the relief sought in the Joint Petition and the latter providing an economic assessment of the harmful effects if the Commission's MSS requirements.<sup>25</sup>

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<sup>21</sup> *Nat'l Lifeline Ass'n, et. al. v. FCC*, 921 F.3d 1102, 1105 (D.C. Cir. 2019) (explaining that the Commission ignored the fact that its rule change “adversely affects the access and affordability of service for residents of Tribal lands” and “[s]imilarly, in adopting the Tribal Rural Limitation, the Commission’s decision evinces no consideration of the impact on service access and affordability.”).

<sup>22</sup> See NASUCA Resolution.

<sup>23</sup> See NARUC Resolution.

<sup>24</sup> See Randolph May, “A Reasonable Lifeline Postponement Request,” The Free State Foundation (June 29, 2019) (“Free State Blog Post”), available at <http://freestatefoundation.blogspot.com/2019/06/a-reasonable-lifeline-postponement.html>.

<sup>25</sup> See George S. Ford, PhD., “Phoenix Center Policy Paper No. 55, A Fresh Look at the Lifeline Program,” Phoenix Center for Advance Legal & Economic Public Policy Studies (July 2019) (“Phoenix Center Policy Paper”), available at <http://www.phoenix-center.org/pcpp/PCPP55Final.pdf>. In this paper, Dr. Ford, observed that “raising minimum

Q LINK joins these voices in support of the Joint Petition and in defense of the Lifeline program and the low-income consumers it serves. Allowing the mobile broadband MSS to increase to 8.75 GB will adversely impact low-income consumers' access to and the affordability of mobile broadband service offerings. Therefore, the Bureau should grant Joint Petitioners' request to pause the implementation of the mobile broadband MSS to allow the Commission time to consider properly the impact of such changes on access and affordability.

**B. The Current Lifeline Broadband MSS Level of 2 GB per Month Represents A Substantial Amount of Data that Can Reasonably Serve Average Consumer Needs**

The Bureau should pause before eliminating Lifeline subscribers' 2 GB mobile broadband plans. These 2 GB per month plans provide a substantial amount of broadband to support Lifeline subscribers and strike a reasonable balance between comparability and affordability. It is clear from many studies that the amount of data that mobile broadband customers consume has increased exponentially with the advent of unlimited data plans and growth in online services, solutions and applications.<sup>26</sup> However, studies indicate that when consumer usage behavior varies significantly when they are on a plan with unlimited broadband usage versus one with a set monthly allowance. A study by NPD Connected Intelligence released in December 2017 found that consumers with unlimited plans use 67% more data than

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service standards is likely to raise the price for Lifeline services, thereby making service unaffordable to precisely those households the Commission seeks to target with its subsidies.” *Id.* at 36. Dr. Ford also found that minimum service standards will “reduce the adoption of advanced telecommunications services by low-income Americans” and explained that “[a]s minimum service standards rise, a fully-discounted offering may no longer be feasible, raising the price of communications services (and/or devices) to low-income Americans participating in the Lifeline program.” *Id.* at 1, 36.

<sup>26</sup> See e.g., *Communications Marketplace Report*, GN Docket No. 18-231 et al., Report, FCC 18-181, ¶ 12 (2018).

those with limited plans.<sup>27</sup> Many Americans, including many who are not eligible for Lifeline, cannot afford and do not subscribe to unlimited mobile broadband plans. This is informative because plans that offer less data may still be reasonably viewed as comparable, especially when paired with Wi-Fi enabled handsets provided free of charge by ETCs, and when affordability must be assured.

Moreover, ample evidence indicates that 2 GB of mobile broadband is a reasonable amount to meet the needs of most consumers.<sup>28</sup> Despite the prevalence of unlimited post-paid plans, Verizon Wireless reports that its subscribers use on average between 1 and 2 GB of data per month.<sup>29</sup> Indeed, 2 GB of mobile broadband provides Lifeline subscribers (and households) with the ability to access websites, exchange emails, upload photos, and watch video – all the things that they need to do to stay connected to jobs, educators, healthcare, family and community. To illustrate, with 2 GB of mobile broadband,<sup>30</sup> a Lifeline subscriber can:

- visit about 2,000 web pages send about 84,000 emails (or instant messages) without attachments or 44,000 with attachments;
- stream approximately 82 hours of music per month;
- upload 5,200 photos to social media; and
- view 17 hours of standard video (or 7 hours of HD video).<sup>31</sup>

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<sup>27</sup> See Unlimited Data Plan Users Consume 67 Percent More Cellular Data Than Users on Limited Plans Consume, Press Release, <https://www.npd.com/wps/portal/npd/us/news/press-releases/2017/unlimited-data-plan-users-consume-67-percent-more-cellular-data-than-users-on-limited-plans-consume/?platform=hootsuite> (rel. Dec. 27, 2017).

<sup>28</sup> See “Cell Phone & Service Buying Guide,” Consumer Reports, *available at* <https://www.consumerreports.org/cro/cell-phones-services/buying-guide/index.htm> (last visited July 30, 2019) (explaining that 2 GB is considered medium data usage and is reasonable for someone who is “less reliant on WiFi and engages in a little bit of everything”).

<sup>29</sup> See “Making sense of data: How much do you need?,” Verizon, *available at* <https://www.verizonwireless.com/articles/making-sense-of-data-how-much-do-you-need/> (last visited July 30, 2019).

<sup>30</sup> This information assumes data at 3G speeds or faster.

<sup>31</sup> See *Estimated Smart Phone Data Usage*, What’s a G?, [https://whatsag.com/estimated-data-usage/data\\_usage.php](https://whatsag.com/estimated-data-usage/data_usage.php) (last visited July 30, 2019).



And if more data is needed, Q LINK's handsets are Wi-Fi enabled and Q LINK provides additional data in affordable increments beginning at \$2.

### **III. Full Lifeline Support for Mobile Voice Services Should Be Retained So that Consumers Remain Empowered to Choose the Service that Best Meets Their Needs**

Program-wide, 42% of Lifeline subscribers choose plans that meet the mobile voice MSS and emphasize voice service over broadband access.<sup>32</sup> As Q LINK has stated in prior comments, consumers should be empowered with the ability to determine which communications mode is most useful for their needs.<sup>33</sup> While Q LINK supports the objective of ensuring that Lifeline supports broadband, the Commission should not attempt to force consumers to choose broadband by reducing the support for mobile voice MSS-compliant service plans.

As Joint Petitioners observe, the record already contains “substantial support for eliminating the phase-down” and the need to continue to recognize the value that mobile voice services provide to many low-income Americans.<sup>34</sup> For example, one commenter stressed the importance of voice services for contacting emergency services, those that need to be reached by a potential employer, and facilitating parent-teacher communications.<sup>35</sup> And as Joint Petitioners note, the Commission itself acknowledged that technology migration is not always uniform.<sup>36</sup> Pausing the sunset of voice support would allow the Commission to properly assess the enduring

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<sup>32</sup> Joint Petition at 8 (citing to USAC, High-Cost and Low Income Committee Briefing Book, at 41 (April 29, 2019) (Lifeline Business Update, App. A: Lifeline Program Trends)).

<sup>33</sup> See Comments of Q LINK Wireless, LLC, WC Docket Nos. 11-42, 09-197, 10-190 (filed July 26, 2016).

<sup>34</sup> Joint Petition at 7.

<sup>35</sup> See Comments of Low Income Consumer Advocates, WC Docket Nos. 17-287, 11-42, 09-197, 2 (Feb. 21, 2018).

<sup>36</sup> Joint Petition at 8 (citing to *2016 Lifeline Modernization Order*, ¶ 119).

importance of and preference for voice services by many consumers in the pending marketplace study.

Moreover, before allowing the December 2019 sunset in support for mobile voice service to become effective, the Bureau must consider the impact of such changes on current Lifeline subscribers. If the reduction in voice support from \$9.25 to \$7.25 was allowed to go into effect, Q Link subscribers would face a price increase for their current voice MSS-compliant plan—or would need to switch to a plan that includes less broadband data to avoid a price increase.<sup>37</sup> Such a result would undermine the Commission’s goals for the Lifeline program by raising prices, reducing affordable access, and diminishing access to broadband.

As with the mobile broadband MSS, the Bureau must act to grant the Joint Petition’s request for waiver of the sunset of mobile voice support pending a full assessment of the Lifeline marketplace. A failure to act would run counter to the statutory mandate and the Commission’s primary goal of ensuring affordable access to essential communications services which, as consumers clearly have shown, includes mobile voice services.

#### **IV. CONCLUSION**

For the foregoing reasons, Q LINK respectfully requests that the Bureau promptly grant the Joint Petitioners’ request and pause implementation of the December 2019 changes to the mobile broadband MSS and mobile voice subsidy amount until the Bureau has completed its assessment of the state of the Lifeline marketplace. Failure to grant the Joint Petition would result in substantial and irreparable harms on the Lifeline program and those consumers it is intended to serve. Q LINK underscores the need for prompt action, as it and other Lifeline ETCs

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<sup>37</sup> See Affidavit of Issa Asad in Support of Q LINK WIRELESS LLC’s Joint Petition Comments, ¶ 8.

need immediate clarity about the potential changes in order to fully assess the impact for customers, make appropriate business and operational plans, and begin informing consumers and state commissions of any changes, including price increases and discontinuance of service.

Respectfully submitted,

By:  \_\_\_\_\_

John J. Heitmann

Avonne S. Bell

**KELLEY DRYE & WARREN LLP**

3050 K Street NW, Suite 400

Washington, D.C. 20007

(202) 342-8400 (voice)

(202) 342-8451 (facsimile)

[jheitmann@kelleydrye.com](mailto:jheitmann@kelleydrye.com)

*Counsel for Q LINK WIRELESS LLC*

July 31, 2019

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of	)	
	)	
Lifeline and Link Up Reform and	)	WC Docket No. 11-42
Modernization	)	
	)	
Telecommunications Carriers	)	WC Docket No. 09-197
Eligible for Universal Service	)	
Support	)	
	)	
Connect America Fund	)	WC Docket No. 10-90
	)	
	)	

**AFFIDAVIT OF ISSA ASAD IN SUPPORT OF Q LINK WIRELESS LLC’S JOINT  
PETITION COMMENTS**

I, ISSA ASAD, hereby declare as follows:

1. My name is Issa Asad. I am at least eighteen (18) years of age, I have personal knowledge of the matters contained herein and state they are true and correct unless stated upon information and belief, and in such case, I believe the facts stated upon information and belief to be true and correct.

2. I am the Chief Executive Officer of Q LINK WIRELESS LLC (“Q LINK” or “Company”). My business address is 499 East Sheridan Street, Suite 400, Dania, Florida 33004.

3. I make this Affidavit on behalf of Q LINK, in support of the Q LINK’s Comments in support of the Joint Petition To Pause Implementation Of December 2019 Lifeline Minimum Service Standards Pending Forthcoming Marketplace Study.

4. If the mobile broadband MSS was allowed to increase to 8.75 GB, Q LINK would be forced to impose a substantial price increase on consumers for a mobile broadband MSS-compliant plan with 8.75 GB of data, effectively forcing most Lifeline subscribers to get de-enrolled and disconnected for failure to pay—or to switch to plans that do not meet the mobile broadband MSS.

5. A mobile broadband MSS of 8.75 GB would result in a network cost to Q LINK that exceeds the subsidy by many multiples.

6. Subscribers who purchase additional data from Q LINK today are a distinct minority of customers and they typically do not spend more than \$10 in any month.

7. Q LINK's online distribution model allows it to reach and serve rural consumers effectively; Q LINK estimates that the percentage of Lifeline subscribers it serves in rural zip codes exceeds the percentage of the general population residing in those zip codes.

8. If the reduction in voice support from \$9.25 to \$7.25 was allowed to go into effect, Q LINK subscribers would face a price increase for their current voice MSS-compliant plan—or would need to switch to a plan that includes less broadband data to avoid a price increase.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury of the laws of the United States of America that the foregoing statements are true and correct.



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Issa Asad  
July 31, 2019